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Governor Barbour Announces Balanced, Conservative Budget for FY 2008

Education, Law Enforcement, Anti-Tobacco, Health Care, Other Programs To Benefit

(JACKSON, Mississippi) -- Governor Haley Barbour today proposed a fiscal year 2008 budget that boosts funding for education and health, increases support for vulnerable children and the fight against illegal narcotics, and begins to rebuild the state's financial reserves – all without a tax increase.

The Governor's balanced budget proposal funds the operations of state agencies at about \$5.4 billion, an increase of more than 7 percent over Fiscal Year 2007. State law requires governors to submit an Executive Budget Recommendation to the Legislature by November 15 of each year.

“Despite bearing the brunt of the worst natural disaster that ever hit America, we have dug out of a \$720 million budget hole, provided the largest four-year spending increase ever for K-12 education, increased funding for community colleges and universities, and balanced the budget – all without raising anybody's taxes,” Governor Barbour said.

“We must continue to work together to stay on the path toward more and better jobs, improved schools, safer communities, a healthier Mississippi, and stronger families, while rebuilding South Mississippi. This budget supports those goals,” Governor Barbour said.

Some highlights of the recommendation include the following:

- **Maintains commitment to education at all levels.**

This school year, teachers are making an average of 30 percent more than they were six years ago, after two consecutive 8 percent increases in teacher pay during the Barbour Administration. This school year, spending in public schools from federal, state, and local sources is estimated to be between \$7,600 and \$7,800 per student. Since Governor Barbour took office, state support for K-12 school districts through the Mississippi Adequate Education Program has increased \$323 million or 19 percent, while reforms have been enacted so better results can be obtained for the money spent. This budget provides another \$158 million increase in funding for K-12 public schools, including an additional 3 percent pay raise for teachers, lifting the average teacher salary to nearly \$43,000 a year.

In addition to the more than \$158 million increase proposed for K-12, the budget includes \$5 million for early childhood development initiatives to help kids be ready to

learn when they begin school. “Since 80 percent of our four year olds are already being served by child care centers, Head Start, or pre-kindergarten, we should improve the infrastructure which is already in place by including more educational content,” Governor Barbour said.

Community Colleges

Governor Barbour’s budget provides \$221,029,260 for the community college system, in addition to the more than \$30 million of workforce training dollars derived from the Workforce Training Enhancement Fund. This would be a \$23,341,303 increase over FY 07, or 11.8 percent. Since FY 04, when Governor Barbour took office, community colleges will have received an increase of \$48 million (27.8 percent) in addition to a doubling of their workforce training budgets.

Universities

The Fiscal Year 2008 Executive Budget Recommendation includes \$755,171,461 for universities. This would be a \$73.6 million increase over FY 07, or 10.74 percent. Under this budget, universities will have received an increase of \$166 million since Governor Barbour came into office in FY 04, an increase of 28.3 percent.

- **A 2 percent set-aside to rebuild the state’s financial reserves to more than \$300 million by the end of Fiscal Year 2008. These reserves will protect state finances when the post-Katrina building surge subsides.**
- **A pay raise for state employees and 100 percent of the increased state employee health insurance and retirement costs.**

In addition to the \$13.3 million for the built-in costs of the 2006 state employee pay raise, Governor Barbour’s budget contains \$25.2 million to provide all state employees under the purview of the State Personnel Board with 100 percent of the realignment recommendations or \$1,000, whichever is greater.

- **A constitutional and comprehensive approach for anti-tobacco and anti-drug efforts.**

The budget uses the \$20 million that previously had been unconstitutionally diverted away from the state treasury to fund Governor Barbour’s “Healthy Kids” initiative. This program doubles the number of tobacco school nurses in public schools (\$5.1 million); sets aside nearly \$5 million for anti-tobacco advertising; dedicates \$5 million to the University of Mississippi Medical Center Cancer Institute; and dramatically increases the number of state narcotic agents (\$5 million) to fight the scourge of illegal drugs.

- **Public Safety**

The budget funds a Mississippi Highway Patrol training school for the third consecutive year. By adding 50 new trained and equipped highway patrol to our force, our state will be safer. There is no greater health threat to Mississippi's children than illegal narcotics and drug crime. An additional \$5 million for the Bureau of Narcotics will increase the state's support for the fight against drugs and provide 50 percent more narcotics agents to investigate and arrest the drug dealers who prey on our children.

- **Protecting Our Most Vulnerable Children**

In the 2006 session, Governor Barbour worked with the Legislature to enact significant reforms to the state's foster care system, as recommended by the Executive Director of the Department of Human Services. This budget includes an increase of \$16.5 million for the Division of Family and Children Services within the Department of Human Services to hire 108 additional direct service workers and provide increased financial support to families who provide homes to kids in our foster care system.

- **National Civil Rights Museum in Mississippi**

Working in tandem with the Legislature's task force, members of the Governor's Commission on a National Civil Rights Museum in Mississippi will complete an interim report by December 2006. For this effort to succeed, it will need the leadership and financial support of the private sector. However, government does have a role. To that end, the budget includes \$500,000 for the Department of Archives and History for planning costs associated with the development of this museum.

To view Governor Barbour's Executive Budget Recommendation in its entirety, go to www.governorbarbour.com.